

Corrections to EEU RFP Budget - as of 10/29/99

The original Appendix E to the EEU RFP contained budget information for the year 2000 as agreed upon in the MOU in Docket 5980, and as set out on page 44 of the Board's 9/30/99 Order in that docket. However, that information should not be used by EEU bidders in preparing their proposals. The \$8,490,128 figure from the MOU, the Board's Order, and the original Appendix E, was an estimate developed after most, but not all, bilateral agreements had been finalized.

Page 43 of the Board's 9/30/99 Order lists revised budget figures for years 2000 through 2004. These revised figures were developed after the remaining bilateral agreements were finalized. These final bilateral agreements reduced the overall EEU budget for the year 2000 from \$8,490,128 to \$8,256,632. Accordingly Appendix E has been revised to reflect the reduced overall budget.

In addition, EEU bidders should be aware that not all of these funds will be available to the EEU contractor. Specifically, it is likely that a significant amount of energy efficiency services will not be provided by the EEU in the City of Burlington Electric Department's ("BED") and Washington Electric Cooperative Inc.'s ("WEC") service territories. Bidders should read BED's and WEC's bilateral agreements carefully since the terms of those agreements will affect the final program budget amounts available to the EEU contractor. Bidders should take the terms of those agreements into account when developing their cost proposals.

However, under the terms of the parties' agreements, the EEU will be able to count the energy savings achieved by WEC and BED. Thus, for purposes of setting energy efficiency targets, the EEU should be aware of the total amount of Core program budgets as agreed to by the parties.

To provide prospective bidders with complete budget information, we have attached two new spreadsheets as follows:

Budget #1 revised - reflects the agreed-upon budgets for the next five years in total and broken out by program

Budget #2 revised - reflects the agreed-upon budgets for the next five years in total and broken out by program LESS the amounts for WEC and BED that will not be available to the EEU contractor

Both of these revised budgets do not subtract the adjustments for the Contract Administrator and Fiscal Agent positions, evaluations, or outstanding utility commitments. Bidders should reflect those additional adjustments in their cost proposals as advised in the RFP.